



**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Issued by the Department of Transportation
on the 1st day of December, 2003

Served: January 28, 2004

Application of

GLOBAL SUPPLY SYSTEMS LIMITED

for a foreign air carrier permit under
49 U.S.C. § 41301

Docket OST-2003-15955

ORDER ISSUING FOREIGN AIR CARRIER PERMIT

Summary

In this order we are issuing Global Supply Systems Limited (Global Supply), a foreign air carrier of the United Kingdom, an initial foreign air carrier permit to engage in charter foreign air transportation of property and mail between the United Kingdom and the United States.

Application

By application filed August 14, 2003, Global Supply requests that we issue it an initial foreign air carrier permit to engage in charter foreign air transportation of property and mail between the United Kingdom and the United States pursuant to the bilateral aviation undertakings of the United Kingdom and the United States.¹ Global Supply states that the authority requested is consistent with the provisions of the bilateral aviation agreement between the United Kingdom and the United States.

No answers were filed in response to Global Supply's permit application.

¹ Global Supply holds Department exemption authority, most recently renewed on July 30, 2003, to conduct the all-cargo charter services at issue here. See Notice of Action Taken, dated July 30, 2003, in Docket OST-2002-12112.

Decision

We have reviewed the record in this case and have decided to grant the application using simplified Subpart B procedures.² The public was informed of the application by notice in the Federal Register and the Department's published weekly list of applications filed.³ The notice described the authority sought and gave interested persons an opportunity to submit evidence and objections to the award of the authority. Simplified procedures are appropriate in this case because there are no material determinative issues of fact requiring other procedures.

We find that grant of this foreign air carrier permit is in the public interest, and that Global Supply is qualified to conduct the proposed operations.

Public Interest Considerations

The charter authority sought by Global Supply is consistent with the provisions of the July 23, 1977, Air Services Agreement between the United States and the United Kingdom of Great Britain and Northern Ireland, as amended (the Agreement).

Fitness

We find that Global Supply is operationally and financially qualified to conduct the proposed services, and substantially owned and effectively controlled by citizens of the United Kingdom. We make this finding based on the May 25, 1989, U.S.-U.K. Exchange of Notes under which the aviation authorities of each country will normally accept, on a reciprocal basis, the other's fitness and citizenship determinations in regard to carriers seeking authority to conduct certain bilateral services, including the requested authority.

Global Supply holds effective authority from its homeland to conduct the proposed operations.⁴ Global Supply received initial Department authority on August 21, 2002, and commenced all-cargo services to and from the United States with UK-registered B-747 aircraft it wet leased to British Airways for British Airways' authorized all-cargo services.

² 14 CFR §§ 302.210 (a)(2) and 302.213.

³ 68 FR 52069, August 29, 2003.

⁴ By Diplomatic Note (No. 69) dated August 13, 2002, the Government of the United Kingdom designated Global Supply to operate international charter services in accordance with the provisions of Article 14 of the Agreement. In addition, Global Supply holds an Air Operator Certificate (GB 2169) issued by the United Kingdom Civil Aviation Authority, a member of the Joint Aviation Authorities, on January 29, 2002. Global Supply also holds a license from the UK Civil Aviation Authority (No C/024) to conduct worldwide passenger and/or cargo charter operations.

As noted above, Global Supply holds current Department authority to conduct the proposed services, most recently renewed on July 30, 2003, in Docket OST-2002-12112. By memorandum dated August 26, 2003, the Federal Aviation Administration advised us that it knows of no reason why Global Supply's request for a foreign air carrier permit should not be approved. We have verified Global Supply's compliance with 14 CFR Parts 203 (Warsaw liability waiver), 205 (Insurance requirements) and 129 (FAA Operations Specifications).

In view of the foregoing, and all the facts of record, we find and conclude that:

1. It is in the public interest to issue a foreign air carrier permit to Global Supply in the form attached;
2. Global Supply is fit, willing and able properly to perform the foreign air transportation described in the attached permit and to conform to the provisions of the Act, and to our rules, regulations, and requirements;
3. The public interest requires that the exercise of the privileges granted by the permit should be subject to the terms, conditions, and limitations contained in the attached permit, and to such other reasonable terms, conditions, and limitations required by the public interest as we may prescribe;
4. The issuance of this foreign air carrier permit will not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975, as defined in § 313.4(a)(1) of our Regulations;⁵ and
5. The public interest does not require an oral evidentiary hearing on the application.

ACCORDINGLY,

1. We issue, in the form attached, a foreign air carrier permit to Global Supply authorizing it to engage in charter foreign air transportation of property and mail between any point or points in the United Kingdom and any point or points in the United States;
2. Global Supply shall also be authorized to engage in other all-cargo charter trips in foreign air transportation, subject to the terms, conditions, and limitations of the Department's regulations governing charters;

⁵ This finding is based on the fact that the grant of this permit will not result in a near-term net annual change in aircraft fuel consumption of 10 million gallons or more.

3. The exercise of the privileges granted above is subject to Global Supply's compliance with the conditions listed in Attachment A;
4. To the extent not granted, we deny all requests for relief in Docket OST-2003-15955;
5. Unless disapproved by the President of the United States under § 41307 of Title 49 of the U.S. Code, this order and the attached permit shall become effective on the 61st day after its submission for § 41307 review, or upon the date of receipt of advice from the President or his designee under Executive Order 12597 and implementing regulations that he or she does not intend to disapprove the Department's order under that section, whichever occurs earlier;⁶ and
6. We will serve a copy of this order on Global Supply, the Ambassador of the United Kingdom in the United States, the Department of State (Office of Aviation Negotiations), and the Federal Aviation Administration (New York IFO).

By:

MICHAEL W. REYNOLDS
Acting Assistant Secretary for Aviation
and International Affairs

(SEAL)

*An electronic version of this document is available on the World Wide Web at
http://dms.dot.gov/reports/reports_aviation.asp*

⁶ This order was submitted for § 41307 review on December 1, 2003. On January 26, 2004, we received notification that the President's designee under Executive Order 12597 and implementing regulations did not intend to disapprove the Department's order.



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PERMIT TO FOREIGN AIR CARRIER

Global Supply Systems Limited

A Flag Carrier of the United Kingdom of Great Britain
and Northern Ireland

is authorized, subject to the following provisions, the provisions of Title 49 of the U.S. Code and the orders, rules, and regulations of the Department of Transportation, to engage in charter foreign air transportation of property and mail as follows:

**Between any point or points in the United Kingdom and any
point or points in the United States**

The holder shall also be authorized to engage in other all-cargo charter trips in foreign air transportation, subject to the terms, conditions, and limitations of the Department's regulations governing charters.

This permit and the exercise of the privileges granted in it shall be subject to the terms, conditions and limitations in both the order issuing this permit and the attachment to this order, and to all applicable provisions of any treaty, convention or agreement affecting international air transportation now in effect, or that may become effective during the period this permit remains in effect, to which the United States and the holder's homeland are or shall become parties, and to the following:

This permit shall be effective on January 26, 2004. Unless otherwise terminated at an earlier date pursuant to the terms of any applicable treaty, convention or agreement, this permit shall terminate (1) upon the dissolution or liquidation of the holder to whom it was issued; (2) upon the effective date of any treaty, convention, or agreement or amendment, which shall have the effect of eliminating the bilateral right for the service authorized by this permit from the service which may be operated by airlines designated by the Government of the United Kingdom (or, if the right is partially eliminated, then the

authority of this permit shall terminate in like part); (3) upon the effective date of any permit granted by the Department to any other carrier designated by the Government of the United Kingdom in lieu of the holder; or (4) upon the termination or expiration of the applicable air services agreement between the United States and the United Kingdom. However, clause (4) of this paragraph shall not apply if prior to such termination or expiration, the foreign air transportation authorized herein becomes the subject of another treaty, convention or agreement to which the United States and the United Kingdom become parties.

The Department of Transportation has executed this permit and affixed its seal on December 1, 2003.

By:

MICHAEL W. REYNOLDS
Acting Assistant Secretary for Aviation
and International Affairs

(SEAL)

Foreign Carrier Conditions

In the conduct of the operations authorized, the foreign carrier applicant(s) shall:

- (1) Not conduct any operations unless it holds a currently effective authorization from its homeland for such operations, and it has filed a copy of such authorization with the Department;
- (2) Comply with all applicable requirements of the Federal Aviation Administration, including, but not limited to, 14 CFR Parts 129, 91, and 36, and with all applicable U.S. Government requirements concerning security. To assure compliance with all applicable U.S. Government requirements concerning security, the holder shall, before commencing any new service (including charter flights) from a foreign airport that would be the holder's last point of departure for the United States, contact its Principal Security Inspector (PSI) to advise the PSI of its plans and to find out whether the Transportation Security Administration has determined that security is adequate to allow such airport(s) to be served;
- (3) Comply with the requirements for minimum insurance coverage contained in 14 CFR Part 205, and, prior to the commencement of any operations under this authority, file evidence of such coverage, in the form of a completed OST Form 6411, with the Federal Aviation Administration's Program Management Branch (AFS-260), Flight Standards Service (any changes to, or termination of, insurance also shall be filed with that office);
- (4) Not operate aircraft under this authority unless it complies with operational safety requirements at least equivalent to Annex 6 of the Chicago Convention;
- (5) Conform to the airworthiness and airman competency requirements of its Government for international air services;
- (6) Except as specifically exempted or otherwise provided for in a Department Order, comply with the requirements of 14 CFR Part 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (7) Agree that operations under this authority constitute a waiver of sovereign immunity, for the purposes of 28 U.S.C. 1605(a), but only with respect to those actions or proceedings instituted against it in any court or other tribunal in the United States that are: (a) based on its operations in international air transportation that, according to the contract of carriage, include a point in the United States as a point of origin, point of destination, or agreed stopping place, or for which the contract of carriage was purchased in the United States; or (b) based on a claim under any international agreement or treaty cognizable in any court or other tribunal of the United States. In this condition, the term "international air transportation" means "international transportation" as defined by the Warsaw Convention, except that all States shall be considered to be High Contracting Parties for the purpose of this definition;
- (8) Except as specifically authorized by the Department, originate or terminate all flights to/from the United States in its homeland;
- (9) Comply with the requirements of 14 CFR Part 217, concerning the reporting of scheduled, nonscheduled, and charter data;
- (10) If charter operations are authorized, except as otherwise provided in the applicable aviation agreement, comply with the Department's rules governing charters (including 14 CFR Parts 212 and 380); and
- (11) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department, with all applicable orders or regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

This authority shall not be effective during any period when the holder is not in compliance with the conditions imposed above. Moreover, this authority cannot be sold or otherwise transferred without explicit Department approval under Title 49 of the U.S. Code.